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C O N F I D E N T I A L TUNIS 000131

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STATE FOR NEA/MAG (HARRIS AND HOPKINS) AND DRL/IL

E.O. 12958: DECL: 02/01/2018

TAGS: ELAB ECON PGOV SOCI PTER

SUBJECT: UNEMPLOYMENT SPARKS PROTESTS IN TUNISIAN SOUTHWEST

Classified By: Ambassador Robert F. Godec for reasons 1.4 (b) and (d)

¶1. (SBU) Summary. Since January 5, Tunisian residents of the south-central region of Gafsa have been protesting high unemployment rates and unfair labor relations with Gafsa Phosphate Company, the largest regional employer. Residents of the region, which has an official unemployment rate of over twenty percent, are also criticizing the GOT's failure to invest in the development of the rural south. Surprisingly, the GOT has still not officially reached out to the protesters or responded to their concerns. While some fear this regional frustration could ignite national demonstrations about Tunisia's unemployment issues, to date the only response has been limited press coverage and sympathy for the plight of rural Tunisians. End Summary.

¶2. (SBU) The midwestern governorate of Gafsa has historically been known for its labor unrest. Almost 10 percent of the governorate's work force is employed by the Gafsa Phosphates Company (CPG), which is home to one of Tunisia's most active unions. However, the phosphate industry has never been strong enough to single-handedly drive regional development, and employment has declined significantly in recent years due to industry modernization and world phosphate market pressures. Today, official unemployment in the governorate exceeds 20 percent, but many Tunisians believe the rate may be closer to 50 percent.

¶3. (SBU) Residents' frustrations over the high unemployment rate and limited growth in the region erupted on January 5, when public protests began in the border towns of Oum El Araies and Redeyef. In both towns, residents erected temporary tents in front of CPG and GOT offices, as well as along main roads and train tracks where they aimed to disrupt industry exports. Participants said they were protesting preferential CPG hiring practices, union complicity in CPG favoritism, and the GOT's failure to address regional unemployment and development problems. Others went further, saying the GOT failed to provide basic social services, such as health and education. Without development, one protestor told a local journalist, the region's youth face simple problems such as delayed marriage and financial independence, while others turn to illegal migration, crime and robbery.

¶4. (SBU) Surprisingly, given the anti-government angle, local media have given limited but sympathetic coverage to the protests. However, despite the GOT's self-proclaimed focus on rural development, employment and investment, there has been no official response from the GOT. Some observers decry the government's failure to address the reasonable concerns of rural citizens who feel cut out of Tunisia's economic success. Many Tunisians agree that the GOT, since independence, has largely focused its development efforts in the more prosperous coastal regions to the detriment of

inland communities. Others say the fact that the GOT has not cracked down on the protesters is noteworthy and argue that no response is better than an excessive one. Given the lack of response, and limited national attention, it appears the demonstrations will simply fade away rather than spread.

15. (C) Comment: Regardless of one's perspective, no GOT response at all is unusual. The regime traditionally prides itself on its development credentials, and the media gives significant coverage to Ben Ali's efforts to spur employment and investment. While the mild public reaction may be simply another sign of Tunisian apathy, public frustration in the border regions is disturbing. The GOT is increasingly concerned about the terrorist threat in neighboring Algeria; discontent in the rural southwest is the kind of trouble the government generally seeks to avoid. End Comment.

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